

# FISCAL NOTE

## HB 470 - SB 859

February 22, 2005

**SUMMARY OF BILL:** Designates a metropolitan government having a population in excess of 500,000 (City of Nashville) as a premiere type tourist resort.

### ESTIMATED FISCAL IMPACT:


**Other Fiscal Impact – To the extent the City of Nashville elects to take the special 4.5925% premiere type tourist resort allocation, revenues to the City of Nashville would decrease by approximately \$3,500,000. To the extent the City of Nashville elects to take the normal 4.2462% allocation, there would be no fiscal impact to state or local government.**

#### Assumptions:

- According to the Department of Revenue, only the City of Nashville qualifies under the criteria of this bill.
- Current law states that any premiere tourist type resort can elect to receive a special 4.5925% allocation of the tax actually collected and remitted by dealers within the boundaries of such resort in lieu of the normal allocation.
- The normal allocation is 4.2462% of taxes collected and remitted by dealers within the boundaries of *all* local governments.
- According to the Department of Revenue, current allocations to the City of Nashville are apportioned based on 1962 city limits.
- Apportionment basis is unchanged.
- To the extent the City of Nashville elects to take the special 4.5925% allocation, revenues to the City of Nashville would decrease approximately \$3.5 million.
- To the extent the City of Nashville elects to take the normal 4.2462% allocation, there would be no fiscal impact to state or local government.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director